

## Message Text

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S E C R E T STATE 005755

FOLLOWING REPEAT SECSTATE 9755 SENT ACTION THE HAGUE INFO  
LONDON, BRASILIA, BONN, VIENNA, BRUSSELS 13 JAN 78

QUOTE S E C R E T STATE 009755

USIAEA, USEEC

E.O. 11652: GDS

TAGS: ENRG, MNUC, PARM, TECH, NL

SUBJECT: DUTCH-BRAZILIAN PLUTONIUM STORAGE CONCEPT

REF: A) STATE 295812 B) THE HAGUE 6281 C) THE HAGUE 38  
D) THE HAGUE 59

1. DEPARTMENT APPRECIATES INFORMATION IN REFTEL B ON  
DEFERRAL OF IAEA BOARD CONSIDERATION OF SUBJECT ARRANGEMENTS  
WHICH WE WELCOME. WE WONDER HOW DEVELOPMENT REPORTED IN  
REFC& D AFFECT THIS DEFERRAL. WE ARE CONSIDERING HIGH  
LEVELAPPROACH TON NEW GOVERNMENT ON THIS ISSUE AND WOULD  
APPRECIATE EMBASSY RECOMMENDATIONS ON DESIREABILITY, LEVEL  
AND TIMING FOR SUCH AN APPROACH. IN INTERIM, AND WITHOUT  
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STIMULATING FORMALIZATION OF ANY PROMOSAL, WE WOULD APPRE-  
CIATE ANY FURTHER INFORMATION AVAILABLE ON EVENTUAL INTENDED  
PROPOSAL FOR BOARD AND WILL WISH TO CLOSELY MONITOR TIMING.

2. REF B RAISED QUESTIONS RELATED TO US-BRAZIL AGREEMENT,  
AND ON APPROVAL RIGHTS FOR ENRICHMENT TO GREATER THAN 20 .

A. EMBASSY IS CORRECT IN STATEMENT THAT EXECUTIVE BRANCH POSITION ON ANGRA FUEL SUPPLY IS IN FORM OF RECOMMENDATION TO NRC WHICH HAS NOT YET ISSUED EXPORT LICENSE. NRC EXPORT LICENSE PROCEDURE DOES NOT EXPLICITLY RELATE TO REPROCESSING,

BUT TAKES INTO ACCOUNT PROVISION ON THIS SUBJECT IN US/ BRAZIL BILATERAL AGREEMENT.

B. US-BRAZIL AGREEMENT CONCLUDED IN 1972, CONTAINS PROVISION ON REPROCESSING IDENTICAL TO THAT IN SEVERAL OTHER AGREEMENTS, INCLUDING THE US/JAPAN BILATERAL. IT PROVIDES THAT WHEN ANY SPENT FUEL OF US ORIGIN "REQUIRES REPROCESSING" OR ALTERATION IT "... MAY BE PERFORMED IN BRAZILIAN FACILITIES UPON A JOINT DETERMINATION OF THE PARTIES THAT THE PROVISIONS OF ARTICLE XI (SAFEGUARDS) MAY BE EFFECTIVELY APPLIED, OR IN OTHER FACILITIES AS MAY BE MUTUALLY AGREED." THUS THE US HAS A "JOINT DETERMINATION" RIGHT OVER REPROCESSING OR OTHER MODIFICATION. WE WOULD NOT EXPECT TO JOIN IN SUCH A DETERMINATION, UNLESS THE LEGAL CIRCUMSTANCES, TECHNICAL NATURE OF THE PROCESS, AND NATURE OF SAFEGUARDS MEASURES PROVIDED ADEQUATE SAFEGUARDS ASSURANCES.

C. RE PARA 3E, REF A, QUESTION IS WHETHER SUBSEQUENT ENRICHMENT IN BRAZIL OF URENCO-ENRICHED URANIUM, EITHER BEFORE IRRADIATION IN REACTORS OR AFTER REPROCESSING, COULD BE DONE BY BRAZIL WITHOUT URENCO CONSENT. SUCH CONSENT  
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RIGHTS HAVE BEEN DISCUSSED IN NUCLEAR SUPPLIER MEETINGS, AND SUPPLIERS GUIDELINE NUMBER 9 "... RECOGNIZE(S) THE IMPORTANCE OF INCLUDING IN AGREEMENTS ON SUPPLY OF NUCLEAR MATERIAL... PROVISIONS... FOR MUTUAL AGREEMENT... ON... ALTERATION, USE... OF ANY WEAPONS USEABLE MATERIAL INVOLVED."

THE FRG, AS SUPPLIER OF THE ENRICHMENT TECHNOLOGY, WILL HAVE SOME CONTROL OVER HIGH ENRICHMENT IN RESULTING PLANTS. WHILE LESS IMPORTANT THAN OTHER CONTROLS, URENCO, AS MATERIAL EXPORTER, COULD IN PRINCIPLE ALSO HAVE SUCH CONTROL OVER SUBSEQUENT ENRICHMENT. WE ASSUME FROM REF. B SUCH RIGHTS HAVE NOT BEEN INCLUDED, BUT BELIEVE THEY SHOULD BE CONSIDERED IN FUTURE SUPPLY ARRANGEMENTS. CHRISTOPHER

UNQUOTE VANCE

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## Message Attributes

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**Capture Date:** 01 jan 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** PLUTONIUM, STORAGE  
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**Copy:** SINGLE  
**Draft Date:** 01 feb 1978  
**Decaption Date:** 01 jan 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 20 Mar 2014  
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**Disposition History:** n/a  
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**Reference:** 77 STATE 295812, 77 THE HAGUE 6281, 78 THE HAGUE 38, 78 THE HAGUE 59  
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**Subject:** DUTCH-BRAZILIAN PLUTONIUM STORAGE CONCEPT  
**TAGS:** ENRG, MNUC, PARM, TECH, NL, BR  
**To:** PARIS  
**Type:** TE  
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